

Control over price hike

1384. SHRI K.E. ISMAIL:
SHRIMATI HEMAMALINI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that recent forced hike in petroleum products prices has cascading effects on prices of essential items like vegetables, sugar, pulses, edible oils, etc. which is affecting badly the poor and the middle class;

(b) whether the hike has also affected the bus fares, taxi and auto fares;

(c) whether Government have taken any steps to control the price rise of essential items for the benefits of the poor; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (d) Sir, there is no evidence of any one to one correspondence between price of petroleum products and price of essential items. Petroleum products prices, particularly transportation fuels, have an indirect impact on prices through transportation costs. In recent times, because of increased competition and the Indian Railways not raising freight charges by absorbing any higher fuel burden through increased operational efficiency, the transmission of higher petroleum products prices through transportation charges has been muted. Nevertheless, in order to keep inflation under check, Government has, in the recent past, taken various measures, which include strict fiscal and monetary discipline, lowering of duties, effective management of supply and demand of essential commodities through import, strengthening of the public distribution system and curbing of export of certain commodities. On November 29, 2006, prices of petrol and diesel were reduced by Rs. 2 and Rupee 1 per liter, respectively.

Increase in loans for Small Scale Industries

†1385. SHRI JAI PARKASH AGGARWAL: Will the Minister of FINANCE be pleased to state:

†Original notice of the question was received in Hindi.